Jurnal Riset Akuntansi
https://jra.ekasakti.org/index.php/jurra/index

The Effect of Green Accounting on Company Reputation as a Moderating Variable for Corporate Governance

Rifi Rafita Sari[1], Desi Ilona[1], Yuli Ardiany[1]
[1]Fakultas Ekonomi Universitas Ekasakti, Indonesia
rifirafitasari@gmail.com *

Article Information:
Received Oktober 11, 2025
Revised November 27, 2025
Accepted Desember 20, 2025

Keywords: *Green Accounting, Corporate Governance, Company Reputation*

Abstract

This study aims to determine the effect of green accounting on company reputation with corporate governance as a moderating variable. The population in this research is manufacturing companies in the materials and energy sub-sector, totaling 35 companies. The type of research used is secondary data. The test results show that green accounting partially has a positive and significant effect on company reputation. Meanwhile, corporate governance partially has no significant effect on company reputation. And corporate governance as a moderating variable partially has a negative and significant effect in moderating and weakening the relationship between green accounting and corporate reputation in manufacturing companies in the materials and energy sub-sector listed on the Indonesia Stock Exchange for the 2020-2022 period.

INTRODUCTION

Business people are now aware that the ability to compete between companies is no longer about product competition but rather looking for positive perceptions from consumers. To get a positive perception from consumers, it can be built through improving brand image. A good reputation for a company will have a beneficial impact, because reputation has an impact on public perception of the company's communications and operations in various ways, while a bad reputation will certainly be detrimental to the company. Reputation can be interpreted as the value and intangible assets of a company. Good interactions will build a good reputation and bad interactions will cause a bad reputation. Reputation is a company's goodwill because it has a positive value in the market for the company (Agustina et al., 2023).

A company's reputation can be assessed from economic, social and environmental reporting by increasing sustainability disclosures. This disclosure will also affect the company's reputation and sustainability in the future. Companies will obtain good value from society by fulfilling their obligations in developing good environmental and social activities. Only in this way will companies consider continuing to maintain environmental and social conditions so that they can continue to function well.

How to cite:	Sari, R, R., Ilona, D., Ardiany, Y. (2025). The Effect of Green Accounting on Company Reputation as a Moderating Variable for Corporate Governance. *Jurnal Riset Akuntansi*, *2*(4), 192-201.
E-ISSN:	3046-9120
Published by:	The Institute for Research and Community Service

According to Suryani & Rofida (2020), companies that have a good reputation and have an appreciation for the environment will disclose more environmental accounting. A company's reputation in the environmental sector is very important for stakeholders in assessing the company's practices in caring for the environment. The company responded by trying to maintain a good reputation through this disclosure (Suryani & Rofida, 2020). In the current era, sustainability and corporate social responsibility are becoming increasingly important for stakeholders. A good company must be able to manage its financial and non-financial potential in order to build a good company reputation for its long-term survival. Companies that are able to implement green accounting well can build a good reputation as a company that cares about the environment and society.

The company's aim in running its business is not solely to seek profit or gain and meet the needs of stakeholders, but must also pay attention to the level of community, economic and social welfare. Many companies are aware of this, but have not been able to improve the welfare of the surrounding community. Seeing the phenomenon that is occurring, it is important for companies to be more responsible by implementing the concept of sustainable development. Most large companies compete in the global economy, environmental sustainability practices have become a competitive strategy for corporate success (Lu & Taylor, 2018). Interaction with the environment requires different contributions from various scientific fields and professions, because environmental research usually relies on new and useful results, which can prove the importance of the environment in tracking and evaluating the direction of scientific and technological development.

Companies often ignore environmental problems in their operational activities, this will later pose a threat to the company's business continuity (Asjuwita & Agustin, 2020). Many companies have had their operations suspended by the Ministry of Environment and Forestry (KLHK) due to environmental problems that were polluted by these companies and there are also companies that have been fined by the high court for causing environmental damage. The case is that PT Indah Kiat Pulp and Paper has carried out wastewater treatment. However, the waste produced will emit an unpleasant odor in 2023 in North Serang. Apart from that, there are also problems related to land acquisition around PT Indah Kiat which has been carried out for years. Then, there was a citizen protest at PT Toba Pulp Lestari Tbk in 2021, whose business activities resulted in pollution and forest damage in the Lake Toba area, North Sumatra. Problems with environmental damage carried out by companies will have a negative impact on the company's reputation. So it will create a bad stigma in the eyes of society and stakeholders.

The way companies restore their corporate image is to disclose more information in sustainability reports. Companies must have the awareness to pay more attention to green accounting which can be a solution for maintaining environmental sustainability carried out by companies (Adyaksana & Pronosokodewo, 2020). Green accounting is a method of measuring value, recording, reporting, recognizing, summarizing which is expressed with high integration of financial, social and environmental objects, events and transactions which can provide results in the form of integrated environmental and social financial accounting information which is also very relevant for users in make decisions related to economic and non-economic management (Lako, 2018).

The company's efforts to sustain its business and maximize its business are not balanced by activities to maintain the surrounding environment (Nawangsari &

Nugroho, 2019). Environmental issues are important for companies in realizing corporate sustainability goals. Companies are obliged to have good financial and non-financial governance (Kelly & Henny, 2023).

Implementing green accounting is the first step to minimize the impact of environmental damage in order to increase the efficiency of environmental management from an environmental cost perspective. Environmental accounting (Green Accounting) is based on the concept of externality, namely regarding the impact of economic activities which should be calculated and recorded in financial records. Thus, accounting reports do not only present financial information, but also present information regarding social and environmental issues in an integrated manner (Hardianti, 2017). Green Accounting is a part of environmental accounting that combines environmental benefits and costs into decision making. Green Accounting is influenced by and influences those around the company (Gustinya, 2022). The debate about resource efficiency, especially in relation to waste reduction and management, is not only a concern for scientists and environmental activists, but also company management (Hasanah et al., 2023). This is so that companies do not generalize indirect costs, including environmental costs, into overhead costs, making them hidden and making it difficult for managers to track and control these costs (Hasanah et al., 2023).

The application of green accounting has been regulated for limited companies in government regulation Number 47 of 2012, where limited companies have social and environmental responsibilities that carry out their business in relation to natural resources. The application of green accounting brings benefits to companies, namely as information for companies to determine strategies that will later be used by companies to minimize costs related to the environment that occur as a result of the company's production activities.

According to Ningsih & Rachmawati (2017), Green Accounting is accounting that attempts to link the environmental budget side with business operation funds. A company that pays good attention to the environment certainly incurs environmental costs to prevent the possibility of a decline in environmental quality and also incurs costs to deal with pollution caused by the company. In practice, companies are required to disclose their environmental costs in financial reports. Companies that disclose environmental accounting well are expected to improve their environmental performance. Environmental accounting disclosures contain information regarding a company's environmental accounting data which is reported in the company's annual report (Ikhsan, 2008). The aim is to facilitate various parties in this field with various information.

Globalization and increasingly fierce competition in the business world, implementing Corporate Governance has become a necessity for companies to improve their environmental performance (Ardianti, 2018). Corporate governance is the main issue of focus at the moment. Companies in carrying out their obligations and responsibilities in the environmental sector require the role of corporate governance performance. According to Sutedi (2011) corporate governance or organizational governance is a set of regulations that regulate the relationship between shareholders, company administrators, government creditors, employees and other internal and external stakeholders relating to their rights and obligations or in other words, a system that regulates and controls the company.

Corporate governance is one of the key elements that can increase company value by improving performance supported by an independent commissioner mechanism. Implementation of the principles of good corporate governance must at least be realized in the implementation of the duties and responsibilities of independent commissioners. Independent commissioner and responsible for overseeing relations with improving the company's image. Companies that practice corporate governance will experience improved image and increased company value. This is because the company has assets that cannot be seen on the balance sheet, such as good management, a good reputation, and very bright prospects. The responsibility of the independent commissioner is to maintain and implement the principles of corporate governance in good condition.

The influence of green accounting when implemented with corporate governance can strengthen the company's reputation. Independent commissioners who are responsible for supervising and running the company can also strengthen the company's image as demonstrated through the implementation of green accounting. Corporate governance is said to be good when there is an independent commissioner in the company who is able to monitor the company's performance both in terms of financial and non-financial aspects. Apart from independent commissioners, it is also proposed to improve company performance through monitoring management performance. One of the mechanisms used is to monitor a company's treatment of its environment.

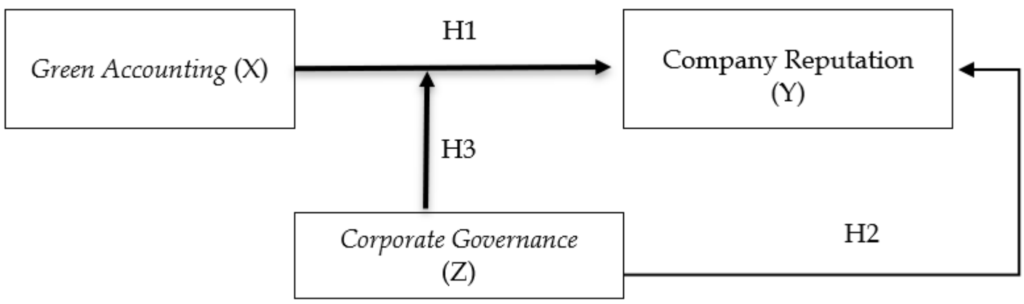
This research was conducted on basic materials and energy sub-sector companies listed on the Indonesia Stock Exchange (BEI) in 2020 - 2022. Basic materials and energy sector companies were chosen because they are one of the sectors whose operational activities have a direct relationship to natural resources. and environment. The difference between this research and previous research is the moderating variable where previous research used intellectual capital. This research also uses a moderating variable, namely corporate governance, which has not been used by previous researchers. This is what differentiates this research from previous research. So the author is interested in researching the relationship between green accounting, corporate governance and company reputation because there is still little research linking these variables.

The problem formulation in this research is as follows:

1. Does green accounting affect a company's reputation?
2. Does corporate governance affect the company's reputation?
3. Can corporate governance moderate the influence of green accounting on company reputation?

Based on the background and formulation of the problem above, a conceptual framework can be created as follows:

Figure 1



Based on the conceptual framework, research hypotheses can be formulated as follows:

H1: It is suspected that Green accounting has a positive effect on company reputation.
H2: It is suspected that corporate governance influences the company's reputation.
H3: It is suspected that corporate governance moderates green accounting on company reputation.

METHOD

This research was carried out by manufacturing companies in the basic materials and energy sub-sector in 2020-2022, published by the Indonesian Stock Exchange. The population in this study was 35 companies in the materials and energy sub-sector in 2020 - 2022. After that, the purposive sampling method was used to collect samples from 24 companies. Data collection techniques use electronic media to collect data. This is done by accessing and downloading financial reports, annual reports and sustainability reports. Research analysis methods: descriptive variable analysis, classical assumption test, moderated regression analysis, t test, f test.

RESULTS AND DISCUSSION

Results

Table 1. Results of Descriptive Analysis of Variables

	Company Reputation	*Green Accounting*	*Corporate Governance*
Mean	0,4027	0,1331	0,4354
Median	0,0000	0,0183	0,4000
Maximum	1,0000	2,3103	0,7500
Minimum	0,0000	-0,1749	0,2500
Std. Dev.	0,4938	0,4308	0,1227
Observations	72	72	72

Based on the results of descriptive statistical calculations of research data in table 1 above, it is known that the Company Reputation (Y) variable has a minimum value of 0.0000 and a maximum value of 1.0000, while the average (mean) value of this variable is 0.4027 with a value of the middle (median) is 0.0000 and the standard deviation value is 0.4938. The Green Accounting (X) variable has a minimum value of -0.1749 and a maximum value of 2.3103, while the average value is 0.1331 with a median value of 0.0183 and a standard deviation value of 0. ,4308. Furthermore, the Corporate Governance (Z) variable has a minimum value of 0.2500 and a maximum value of 0.7500, while the average value is 0.4354 with a median value of 0.4000 and a standard deviation value of 0. ,1227.

Table 2 Results of Moderation Regression Analysis

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-3,7831	0,7246	-5,2209	0,0000
GA	6,0986	1,5492	3,9366	0,0002
GC	-0,9803	1,6855	-0,5816	0,5630
GA*GC	-5,1297	2,2838	-2,2461	0,0284

From processing using Eviews 10 above, the regression equation is obtained as follows:

RP = -3.7831 + 6.0986 (GA) – 0.9803 (CG) –5.1297(GA*CG) + ε

1. Constant value (α)

From the results of the moderated regression analysis test, it can be seen that the constant is 3.7831 units, meaning that if the variables green accounting (X), corporate governance (Z), green accounting and corporate governance (X*Z) have a value of zero units, the value of the company's reputation is 3. 7831 units.

2. The coefficient value of β1 is 6.0986 units, which means there is a positive relationship between green accounting and company reputation. If the green accounting variable increases by one unit, the company's opportunity for corporate reputation value increases by 6.0986 units.

3. The β2 coefficient value is -0.9803 units, which means there is a negative relationship between corporate governance and company reputation. If the corporate governance variable increases by one unit, the company's opportunity for the company's reputation value will decrease by -0.9803 units.

4. The value of the coefficient β3 variable, the difference in absolute value is -5.1297, meaning that if the multiplication of green accounting and corporate governance is increased by one unit of weight with the assumption that green accounting is ignored or zero, the company's reputation (Y) will decrease by -5.1297 units.

Table 3 Results of Determination Coefficient

R-squared	0,9833
Adjusted R-squared	0,9828
S.E. of regression	0,2344
Sum squared resid	3,2975
Log likelihood	3,5301
F-statistic	1772,945
Prob(F-statistic)	0,0000

Based on table 3 above, it shows that the coefficient of determination resulting in the Adjusted R-squared test is 0.9828. The results obtained indicate that green accounting is able to contribute to explaining a company's reputation by being moderated by corporate governance at 98.2% while the remaining 1.8% is influenced by other variables that are not included and analyzed in this research model.

Partial Hypothesis Testing Results (t Test)

Based on the results of processed statistical data in the moderated regression analysis in table 3, it can be seen that the influence of the independent variables on the dependent variables in partial terms is as follows:

Green accounting test results on company reputation.

obtained a calculated t value of 3.9366 and a t-table value of 1.66724 or (3.9366 > 1.66724) and a probability value of 0.00 which is smaller than 0.05 or (0.00 < 0.05) then It can be concluded that the green accounting variable partially and significantly influences the company's reputation. (H1) Accepted.

The Influence of Corporate Governance on Company Reputation.

The results of the testing analysis for the second hypothesis before using the moderating variable were obtained with a calculated t value of -0.5816 and a t-table value of 1.66724 or (-0.5816 < 1.66724) and a probability value of 0.5630 which is greater than 0 .05 or (0.56 > 0.05), it can be concluded that the corporate governance variable partially has no significant effect on the company's reputation. (H2) Rejected.

The Effect of Green Accounting on Company Reputation with Corporate Governance as a moderating variable.

The test results after using the moderating variable, namely green accounting, have a t-statistic value of -2.2461 and a t-table value of 1.66724 or (-2.2461 < 1.66724) and a probability value of 0.02 which is smaller than 0, 05 or (0.02 < 0.05), it can be concluded that the Corporate Governance variable as a moderating variable partially has a negative and significant effect in moderating and weakening the relationship between green accounting and company reputation. (H3) Accepted.

Discussion

The Influence of Green Accounting on Company Reputation

Based on the results of the t test, the t-count value was 3.9366 and the t-table value was 1.66724 and the probability value was 0.00, which was significant <0.05. These results show that green accounting has a positive and significant effect on company reputation. So the results of this research indicate that an increase or decrease in green accounting during the research period, namely from 2020-2022, has an influence on the company's reputation. Companies that allocate part of their funds to tackle and preserve the environment as a result of company operations, indicate that the company is responsible because the company's current goal is not only to make a profit (profit) but also to pay attention to the earth (planet) and the wider community (people).

Signal theory states that management's efforts to reduce asymmetric information to stakeholders and shareholders can be done by increasing the amount of information about the company. This effort can be made by disclosing the costs incurred for environmental activities which can help potential investors and stakeholders in making economic decisions for the company and are also expected to be able to build a good image in the community because they play a role in preserving the environment. This research is relevant to social accounting theory which states that companies should disclose costs related to company operational activities that have social importance. Thus, if a company provides information about the environment, both costs and activities, in its annual report or sustainability report, then the company is proven to have great social concern for the community and the surrounding environment so that it can also improve the company's reputation. The results of this research are in line with previous research Suryani & Rofida, 2020). Contrary to research results Rosaline & Wuryani (2023).

The Influence of Corporate Governance on Company Reputation

Based on the results of the t test, the t-count value was -0.5816 and the t-table value was 1.66724 and the probability value was 0.56, which was significant > 0.05. These results indicate that corporate governance does not have a significant effect on company reputation. so the results of this research indicate that increasing or decreasing corporate governance during the research period, namely from 2020-2022, has no effect on the company's reputation.

Based on Law no. 40 of 2007 concerning Limited Liability Companies, the board of commissioners is the party tasked with supervising management policies, the course of management in general, both regarding the company and the company's business, and providing advice to the board of directors. This is because an independent board of commissioners acts as a management supervisor in a company. Independent commissioners can control managers not to carry out actions that are detrimental to the company. The existence of independent commissioners in the company can only monitor and improve the company in implementing good corporate governance.

The board of commissioners is the core of corporate governance which is tasked with ensuring the company's strategy, supervising managers in managing the company, and requiring accountability (Purwaningtyas & Pangestuti, 2009). The number of independent commissioners cannot be used as a guarantee to increase company value. This is possibly because the existence of independent commissioners is only a formality to comply with regulations from the Financial Services Authority so that independent commissioners do not carry out their monitoring function properly (Amaliyah & Herwiyanti, 2019). The results of this research support research conducted by Garcia & Palacio (2018) and support the research results of Amaliyah & Herwiyanti (2019). Contrary to research results (Ardiany et al., 2023).

The Effect of Green Accounting on Company Reputation with Corporate Governance as a moderating variable

Based on the results of the t test, the t-count value was -3.6696 and the t-table value was 1.66724 and the probability value was 0.00, which was significant <0.05. These results show that the Corporate Governance variable as a partial moderating variable has a negative and significant effect in moderating and weakening the relationship between green accounting and corporate reputation in manufacturing companies in the materials and energy sub-sector in 2020-2022. The results of this research indicate that corporate governance is able to moderate the relationship between green accounting and company reputation. In this case, corporate governance is able to weaken the negative relationship between green accounting and company reputation. This indicates that the implementation of good corporate governance will take into account the use of environmental costs, because it is believed that environmental costs are a form of investment which will have a greater impact on the company's image.

If related to theory, the results of this research are in line with stakeholder theory where companies should prioritize the needs of all their stakeholders. Allocating costs for environmental needs is a manifestation that companies do not only prioritize profits, but also prioritize the surrounding environment. This means that a higher or lower proportion of the board of commissioners cannot strengthen or weaken the influence of green accounting on the company's reputation. Independent commissioners may have limited knowledge or sufficient understanding of green accounting practices.

This can result in a lack of effective support or supervision of the implementation of green accounting in the company, which in turn can negatively affect the company's reputation. Although independent commissioners can have a negative influence in this moderation, their role as moderation remains important because it can moderate the relationship between green accounting and company reputation. Even though the influence is assumed to be negative, independent commissioners still have the potential to improve or optimize the impact of green accounting on the company's reputation through appropriate supervision, advice and consideration. The results of this study contradict research (Rabbani, 2023). However, this research is in line with research (Agnes et al., 2022)

CONCLUSION

Based on the results of the analysis and discussion that have been explained, the researcher can draw the following conclusions:

1. Green accounting partially has a significant effect on company reputation (H1).
2. Corporate governance partially has no significant effect on company reputation (H2) is rejected.
3. Corporate governance weakens the relationship between green accounting and company reputation (H3).

REFERENSI

Adyaksana, r. I., & pronosokodewo, b. G. (2020). Do environmental performance and environmental costs influence environmental information disclosure? Infestation, 16(2), 157–165. https://doi.org/10.21107/infestation.v16i2.8544

Agustina, l., nurmalasari, e., & astuty, w. (2023). Corporate social responsibility and investment risk on company reputation with profitability as an intervening variable. Owner, 7(1), 687–699. https://doi.org/10.33395/owner.v7i1.1218

Amaliyah, f., & Herwiyanti, e. (2019). The influence of institutional ownership, independent board of commissioners and audit committee on the value of mining sector companies. Journal of accounting, 9(3), 187–200. https://doi.org/10.33369/j.akuntansi.9.3.187-200

Ardianti, e. P. (2018). The influence of the implementation of good governance, regional financial accounting systems, and the use of information technology on the quality of regional government financial reports (case study on SKPD Gunungkidul district). Dewantara Ecobus Journal, 1(2), 54–69.

Ardiany, y., lukviarman, n., hamidi, m., & luthan, e. (2023). Conservatism as a moderating variable on the determinants of earnings management. Investment management and financial innovations, 20(4), 323–334. Https://doi.org/10.21511/imfi.20(4).2023.26

Asjuwita, m., & agustin, p. (2020). The influence of environmental performance and environmental costs on profitability. Journal of accounting exploration, 2(3), 3327–3345. Http://jea.ppj.unp.ac.id/index.php/jea/issue/view/28

García-meca, e., & palacio, c. J. (2018). Board composition and firm reputation: the role of business experts, support specialists and community influentials. Brq business research quarterly, 21(2), 111–123. Https://doi.org/10.1016/j.brq.2018.01.003

Goldie kelly, s., & deliza henny. (2023). The influence of green accounting and environmental performance on company value with profitability as a moderating variable. Trisakti economic journal, 3(2), 3301–3310. https://doi.org/10.25105/jet.v3i2.18051

Gustinya, se., m.ak., d. (2022). The effect of implementing green accounting on the value of manufacturing companies listed on the Indonesian Stock Exchange in 2017 - 2019. Krisnadwipayana Journal of Accounting and Business, 9(2), 759. https://doi.org/10.35137/jabk.v9i2.688

Hardianti. (2017). Ekp, 13(3), 1576–1580.

Hasanah, n., widiyati, d., Selatan, t., environment, p. R., & stock, p. (2023). Application of green accounting to financial performance (textile and garment companies listed on the Indonesian Stock Exchange in 2019-2021). 4(2), 209–218.

Ikhsan, a. (2008). Introduction to environmental accounting. Science house, 1–184.

Lako, a. (2018). Green accounting: issues, theory and applications.

Lu, l. W., & taylor, m. E. (2018). A study of the relationships among environmental performance, environmental disclosure, and financial performance. Asian review of accounting, 26(1), 107–130. Https://doi.org/10.1108/ara-01-2016-0010

Nawangsari, r. D., & Ika Nugroho, p. (2019). The influence of economic performance indicators, environmental performance indicators and social performance indicators on the profitability of manufacturing companies. International journal of social science and business, 3(2), 162. https://doi.org/10.23887/ijssb.v3i2.17644

Ningsih, w. F., & rachmawati, r. (2017). Implementation of green accounting in improving company performance. Jabe (journal of applied business and economics), 4, 149. https://doi.org/10.30998/jabe.v4i2.2142

Purwaningtyas, f. P., & pangestuti, i. R. D. (2009). Good corporate governance mechanisms on company value (empirical study on manufacturing companies listed on BEI in 2007-2009). Economics and digital library business, 1–26. Http://eprints.undip.ac.id/29375/1/jurnal.pdf

Rabbani, m. F. (2016). The effect of green accounting on company reputation with intellectual capital as a moderating variable. In 2023 (vol. 3).

Simon, a. Y.P., wibowo, a. S., & rosel, r. (2023). The effect of implementing green accounting on financial performance with good corporate governance as a moderator (empirical study on manufacturing sector companies listed on the Indonesian stock exchange for the 2016-2020 period. Journal of science and organization management, 3(3), 221–231. https:// doi.org/10.52300/jmso.v3i3.7543

Suryani, a. W., & rofida, e. (2020). Environmental accounting from the new institutional sociology theory lens: branding or responsibility? Journal of accounting and business dynamics, 7(2), 189–204. https://doi.org/10.24815/jdab.v7i2.17126

Sutedi. (2011). Sutedi. 2009.

Verlita goddess rosaline1, e. W. (2023). The influence of implementing green accounting on economic performance. In search, 22(1), 142–147. https://doi.org/10.37278/insearch.v22i1.696